I certify this to be a true and correct copy of the indicated document as referred or transmitted to committee.

Chief Clerk of the House

FILED FEB 2 0 2007

H.B. No. 1699

By: Alelen

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A BILL TO BE ENTITLED

AN ACT

2 relating to the power of a groundwater conservation district to 3 regulate the use of groundwater so as to prevent waste. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 SECTION 1. Sections 36.001(8) and (9), Water Code, amended to read as follows: 6 7 "Waste" means any one or more of the following: 8 withdrawal of groundwater from a groundwater 9 reservoir at a rate and in an amount that causes or threatens to cause intrusion into the reservoir of water unsuitable for 10 agricultural, gardening, domestic, or stock raising purposes; 11 12 (B) the flowing or producing of wells from a groundwater reservoir if the water produced is not used for a 13 14 beneficial purpose; 15 the discharge, flowing, pumping, release, 16 or escape of groundwater from a groundwater reservoir to any other 17 reservoir or geologic strata that does not contain groundwater; 18 pollution harmful (D) or alteration of 19 groundwater in a groundwater reservoir by saltwater or by other deleterious matter admitted from another stratum or from the 20 21 surface of the ground; 22 (E) wilfully or negligently causing, suffering, 23 or allowing groundwater to flow or escape or be discharged, pumped,

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or released into any river, creek, natural watercourse, depression,

- 1 pond, lake, reservoir, drain, sewer, street, highway, road, or road
- 2 ditch, or onto any land other than that of the owner of the well
- 3 unless such discharge is authorized by permit, rule, or order
- 4 issued by the commission under Chapter 26;
- 5 (F) groundwater pumped for irrigation that
- 6 escapes as irrigation tailwater onto land other than that of the
- 7 owner of the well unless permission has been granted by the occupant
- 8 of the land receiving the discharge; or
- 9 (G) for water produced from an artesian well,
- "waste" has the meaning assigned by Section 11.205.
- 11 (9) "Use for a beneficial purpose" means use for:
- 12 (A) agricultural, gardening, domestic, stock
- 13 raising, municipal, mining, manufacturing, industrial, commercial,
- or recreational[ror pleasure] purposes;
- 15 (B) exploring for, producing, handling, or
- 16 treating oil, gas, sulphur, or other minerals; or
- 17 (C) any other purpose that is useful and
- 18 beneficial to the user.
- 19 SECTION 2. Section 36.101(a), Water Code, is amended to
- 20 read as follows:
- 21 (a) A district may make and enforce rules, including rules
- 22 limiting groundwater production based on tract size or the spacing
- 23 of wells, to provide for conserving, preserving, protecting, and
- 24 recharging of the groundwater or of a groundwater reservoir or its
- 25 subdivisions in order to control subsidence, prevent degradation of
- 26 water quality, or prevent waste of groundwater and to carry out the
- 27 powers and duties provided by this chapter. A district may adopt

1 and enforce rules that define waste to include activities or uses in 2 addition to those included in the definition of waste provided by . 3 Section 36.001(8). During the rulemaking process the board shall 4 consider all groundwater uses and needs and shall develop rules that [which] are fair and impartial and that do not discriminate 5 6 between land that is irrigated for production and land that was 7 irrigated for production and enrolled or participating in a federal 8 conservation program. Any rule of a district that discriminates 9 between land that is irrigated for production and land that was 10 irrigated for production and enrolled or participating in a federal 11 conservation program is void. 12 SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2007.

HOUSE COMMITTEE REPORT

1st Printing

O7MAY -6 PH 5: 32
USE OF REPRESENTATIVE

By: Hilderbran

H.B. No. 1699

Substitute the following for H.B. No. 1699:

By: Puente

C.S.H.B. No. 1699

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the power of a groundwater conservation district to
3	regulate the use of groundwater.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 36.113(d), Water Code, is amended to
6	read as follows:
7	(d) Before granting or denying a permit or permit amendment,
8	the district shall consider whether:
9	(1) the application conforms to the requirements
10	prescribed by this chapter and is accompanied by the prescribed
11	fees;
12	(2) the proposed use of water unreasonably affects
13	existing groundwater and surface water resources or existing permit
14	holders;
15	(3) the proposed use of water is dedicated to any
16	beneficial use;
17	(4) the proposed use of water is consistent with the
18	district's certified water management plan;
19	(5) the proposed use of water is wholly or partly to
20	provide water to a pond, lake, or reservoir to enhance the
21	appearance of the landscape;
22	(6) the applicant has agreed to avoid waste and
23	achieve water conservation; and

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(7) [(6)] the applicant has agreed that reasonable

- 1 diligence will be used to protect groundwater quality and that the
- 2 applicant will follow well plugging guidelines at the time of well
- 3 closure.
- 4 SECTION 2. Section 36.117(d), Water Code, is amended to
- 5 read as follows:
- 6 (d) Notwithstanding Subsection (b), a district may require
- 7 a well to be permitted by the district and to comply with all
- 8 district rules if:
- 9 (1) the withdrawals from a well exempted under
- 10 Subsection (b)(1) are no longer used solely for domestic use or to
- provide water for livestock or poultry;
- 12 (2) the purpose of a well exempted under Subsection
- 13 (b)(2) is no longer solely to supply water for a rig that is
- 14 actively engaged in drilling or exploration operations for an oil
- or gas well permitted by the Railroad Commission of Texas; or
- (3) $[\frac{(2)}{(2)}]$ the withdrawals from a well exempted under
- 17 Subsection (b)(3) are no longer necessary for mining activities or
- 18 are greater than the amount necessary for mining activities
- 19 specified in the permit issued by the Railroad Commission of Texas
- 20 under Chapter 134, Natural Resources Code.
- 21 SECTION 3. This Act takes effect immediately if it receives
- 22 a vote of two-thirds of all the members elected to each house, as
- 23 provided by Section 39, Article III, Texas Constitution. If this
- 24 Act does not receive the vote necessary for immediate effect, this
- 25 Act takes effect September 1, 2007.

COMMITTEE REPORT

The Honorable Tom Craddick Speaker of the House of Representatives

4/27/07 (date)

Sir:				
Ve, your committee on NAT	TURAL RESOUR			
o whom was referred eack with the recommendation that	HB 1699	have had	the same under conside	eration and beg to repor
) do pass, without amendment.				
) do pass, with amendment(s). X) do pass and be not printed; a	Complete Committe	ee Substitute is recor	mmended in lieu of the	original measure.
X) yes () no A fiscal note w	as requested.			
) yes (X) no A criminal justi				
) yes (X) no An equalized e	educational funding	impact statement wa	as requested.	
) yes (X) no An actuarial ar	nalysis was request	ed.		
) yes (X) no A water develo	ppment policy impa	ct statement was req	uested.	
) yes (χ) no A tax equity no	ote was requested.	•		
) The Committee recommends	that this measure b	e sent to the Commi	ttee on Local and Cons	ent Calendars.
For Senate Measures: House Spor	nsor		·	
Joint Sponsors:	·. /			
Co-Sponsors:				
00-oponsois				
The measure was reported from Co	ommittee by the fol	lowing vote:		
The measure was reported from G	AYE	NAY	PNV	ABSENT
Puente, Chair	X			
Hamilton, Vice-chair	Х			
Gattis, CBO	X			
Creighton	X			
Gallego	X			
Guillen	X			
Hilderbran	X			
Laubenberg	X			
O'Day	X	·		
		·		
		·		
Total 9		1.1	11 M	
a	ye ay	No		

BILL ANALYSIS

C.S.H.B. 1699 By: Hilderbran Natural Resources Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, groundwater districts are the state's preferred method of groundwater management through rules developed, adopted, and promulgated by a district in accordance with the provisions of Chapter 36 of the Water Code. Groundwater districts are encountering some landowners who are wasting the groundwater reservoir for aesthetical appeal.

The purpose of this bill is to require a permit for the proposed use of water to enhance the appearance of landscape. C.S.H.B. 1699 relates to the power of a groundwater conservation district to regulate the use of groundwater.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 36.113(d) of the Water Code by adding a new Subdivision (5) to provide the proposed use of water is wholly or partly to provide water to a pond, lake, or reservoir to enhance the appearance of the landscape. Subdivisions are renumbered accordingly.

SECTION 2. Amends Section 36.117(d) of the Water Code adding a new Subdivision (1) to provide that withdrawals from a well exempted under Subsection (b) (1) are no longer used solely for domestic use or to provide water for livestock or poultry. Subdivisions are renumbered accordingly.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 1699 deletes the revised definitions under Section 1 and deletes the language that authorizes the district to adopt and enforce rules that define waste to include activities or uses in addition to those included in the definition of waste provided by Section 36.001 (8).

Amends Section 36.113 (d) of the Water Code adding Subdivision (5) to provide the proposed use of water is wholly or partly to provide water to a pond, lake, or reservoir to enhance the appearance of the landscape. Amends Section 36.117(d) of the Water Code adding Subdivision (1) to read the withdrawals from a well exempted under Subsection (b) (1) are no longer used solely for domestic use or to provide water for livestock or poultry. The bill also renumbers Subdivisions accordingly.

SUMMARY OF COMMITTEE ACTION

HB 1699

April 25, 2007 2:30 PM or upon final adjourn./recess

Considered in public hearing

Committee substitute considered in committee

Testimony taken in committee (See attached witness list.)

Left pending in committee

April 27, 2007 upon first adjournment

Considered in formal meeting

Committee substitute considered in committee

Reported favorably as substituted

WITNESS LIST

HB 1699 HOUSE COMMITTEE REPORT Natural Resources Committee

April 25, 2007 - 2:30 PM or upon final adjourn./recess

Registering, but not testifying:

Action in the state of the stat

Holland, WF (Kirk) (Barton Springs/Edwards Aquifer Conservation District)

- Committee Substitute (Puente)

For: Conkwright, Jim (High Plains Underground Water Conservation District No.1)

- Committee Substitute (Punete)

Registering, but not testifying:

For: Hardberger, Amy (Environmental Defense)

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 1, 2007

TO: Honorable Robert Puente, Chair, House Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1699 by Hilderbran (Relating to the power of a groundwater conservation district to regulate the use of groundwater.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill would amend the Water Code to authorize a groundwater conservation district before granting or denying a permit or permit amendment to consider whether the proposed use of water is wholly or partly to provide water to a pond, lake, or reservoir to enhance the appearance of the landscape. The bill would also authorize a district to require a well to be permitted by the district and to comply with all district rules if the withdrawals from a well exempted under Subsection (b)(1) of Section 36.117 are no longer used solely for domestic use or to provide water for livestock or poultry.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, WK, DB

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 18, 2007

TO: Honorable Robert Puente, Chair, House Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1699 by Hilderbran (Relating to the power of a groundwater conservation district to regulate the use of groundwater so as to prevent waste.), As Introduced

No fiscal implication to the State is anticipated.

The bill would amend the Water Code to authorize a groundwater conservation district to adopt and enforce rules that define waste of groundwater to include activities or uses in addition to those listed in Section 36.001(8), Water Code.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, WK, DB

H.B. No	1699	. ,	

A BILL TO BE ENTITLEI



relating to the power of a groundwater conservation district to regulate the use of groundwater so as to prevent waste.

FEB 2 0 2007	_ Filed with the Chief Clerk	
FEB 2 6 2007		atural Resources
APR 2 7 2007	Reportedfavorably (examends)	
MAY 0 7 2007	(as substituted)	
MAI V 1 2007	_ Sent to Committee on (Calendars)	
	(Local & Consent Calondas)	
	Read second time (comm. subst.) (amended); passed to t (record vote of yeas, nays,	
•	Constitutional rule requiring bills to be read on three seven by a vote of yeas, nays,	
	Read third time (amended); finally passed (failed to pass (record vote of yeas, nays,) by a (non-record vote) present, not voting)
	_ Engrossed	
	Sont to Sonato	
OTHER HOUSE ACTIO	Sent to Senate	CHIEF CLERK OF THE HOUSE
OTHER HOUSE ACTIO	***	
	Received from the House	
	Read and referred to Committee on	
	_ Reported favorably	
	Reported adversely, with favorable Committee Substitute	
	Ordered not printed	
·	_ Laid before the Senate	
	 Senate and Constitutional Rules to permit consideration 	guanandad by (unanimous consent)
	_ Senate and Constitutional Rules to permit consideration	(yeas, nays)
	Read second time,, and pas	
	, and pas	(a viva voce vote) (yeas, nays
	 Senate and Constitutional 3 Day Rules suspended by a vertex 	
	Read third time,, and passo	
		(yeas, nays)
	Returned to the House	
OTHED SENATE A CTI		SECRETARY OF THE SENATE

· ·	Returned from the Senate (as substituted) (with amendments)
	House concurred in Senate amendments by a (non-record vote) (record vote of yeas, nays, present, not voting)
	House refused to concur in Senate amendments and requested the appointment of a conference committee by a (non-record vote) (record vote of yeas, nays, present, not voting
	House conferees appointed:, Chair;,
• • • • • • • • • • • • • • • • • • • •	Senate granted House request. Senate conferees appointed:, Chair;
	Conference committee report adopted (rejected) by the House by a (non-record vote) (record vote of yeas, nays, present, not voting)
	Conference committee report adopted (rejected) by the Senate by a (viva voce vote) (record vote of yeas, nays)